

HOUSE OF REPRESENTATIVES

SB 1487

state law; local violations; penalties Prime Sponsor: Senator Biggs, LD 12

DP Committee on Commerce

DP Caucus and COW

X As Transmitted to the Governor

OVERVIEW

SB 1487 requires the Arizona Attorney General (AG) to investigate alleged violations of state statute or the Arizona Constitution by a county, city or town (Local Jurisdiction). Prescribes penalties for violations that withhold the Local Jurisdiction's state shared revenues.

PROVISIONS

- 1. Requires the AG to investigate an ordinance, regulation, order or other official action (Action) taken by the governing body of a Local Jurisdiction, upon the request of a Legislator who alleges a violation of state law or the Arizona Constitution.
- 2. Directs the AG to provide a written report of the investigation's findings and conclusions within 30 days after receiving the request. Requires a copy of the report to be sent to the Governor, Legislature, Secretary of State and the Legislator (s) making the request.
- 3. Instructs the AG as follows if the Action under investigation:
 - a. Violates state law or the state Constitution the AG must provide notice to the Local Jurisdiction of the violation, giving them 30 days to resolve the issue. Failure to resolve the violation requires the AG to do all of the following:
 - i. Notify the State Treasurer to withhold State Shared Revenues for redistribution to other Local Jurisdictions as outlined.
 - ii. Monitor the response and if the violation is resolved, notify the pertinent parties, including the State Treasurer so that state shared revenues may resume.
 - b. *May violate state law or the Constitution* the AG files a special action in the Supreme Court to resolve the issue. Directs the Supreme Court to give the special action precedence over all other cases and require the Local Jurisdiction to post bond equivalent to the amount of state-shared revenue paid over the past six months.
 - c. Does not violate state law or the state Constitution the AG takes no further action.
- 4. Authorizes the State Treasurer to withhold state-shared revenues from an offending Local Jurisdiction. Directs the AG to certify to the State Treasurer that the violation is resolved, at which time the distribution resumes.
- 5. Stipulates that monies will not be withheld if necessary to make required deposits or payments for debt service on bonds or other long-term obligations of the Local Jurisdiction.

SB 1487

CURRENT LAW

A.R.S. § 41-192 allows the AG to represent political subdivisions, school districts and municipalities in suits to enforce state or federal statutes pertaining to antitrust, restraint of trade or price-fixing activities or conspiracies. Even though the AG must give notification to political subdivisions, school districts and municipalities, they have 30 days to withdraw the authority of the AG to bring the intended action on its behalf.

The <u>AG</u> is a constitutionally mandated and voter-elected attorney who serves as the chief legal officer of Arizona. The AG represents and provides legal advice to most state agencies, enforces consumer protection and civil rights laws, and prosecutes criminals charged with complex financial crimes and certain conspiracies involving illegal drugs. All statewide appeals from felony convictions are handed down by the AG's office. Additionally, the AG's office prosecutes cases normally handled by county attorneys when they have a conflict. The AG's office is divided into the following divisions: Criminal, State Government, Child and Family Protection, Civil Litigation, Solicitor General, Executive Office and Operations.